Congress of the United States

Washington, DC 20515

March 16, 2022

The Honorable Tom Vilsack U.S. Department of Agriculture 1400 Independence Avenue SW Washington, DC 20250

Dear Secretary Vilsack,

Our nation's cattle ranchers are a vital part of the agriculture industry, helping supply Americans and consumers around the world with safe, healthy beef. They have done so all while facing Mother Nature, a pandemic, supply chain issues, and volatile markets. To make sure our farmers and ranchers have the tools they need to operate their businesses, they need a transparent and competitive market. One area of improvement is greater price discovery and reporting of alternative marketing arrangements. Right now, beef packers are not required to report the details of these arrangements to USDA, leaving cattlemen in the dark as to the contract terms being offered by packers through these extensively used agreements.

This Congress, the House overwhelmingly passed legislation to address this challenge by directing USDA's Agriculture Marketing Service to establish a contract library for cattle contracts that would be reported and published along with other ongoing livestock reporting. We also successfully worked to secure funding for this purpose in the FY2022 omnibus appropriations package. As you implement the recently passed appropriations bill, we write to urge you to prioritize the implementation of the cattle contract library pilot program based off the provisions included in our legislation, the *Cattle Contract Library Act of 2021*.

Our legislation would establish a publicly available, user-friendly cattle contract library that would publish information pertaining to the type of contract; the duration of the contract; provisions in the contract that may affect the base price of the cattle; schedules of premiums or discounts; and transportation arrangements. Further, it would publish information regarding the total number of cattle solely committed to the packer each week within the 6-month and 12-month periods following the date of the contract, or an indication that that the contract is an open commitment. These provisions would equip cattle producers with the market data they need to make more informed business decisions and exert greater leverage in negotiations with major meatpackers.

We look forward to working with you to support cattle ranchers. By quickly implementing the provisions in our legislation, you can help provide certainty to producers across the country who put food on American's tables. Thank you for your consideration of this request.

Sincerely,

Dusty Johnson Member of Congress

Henry Cuellar Member of Congress

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Trent Kelly Member of Congress

Vicky Hartzler

Adrian Smith Member of Congress

Member of Congress

Mariannette Miller-Meeks, M.D. Member of Congress

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Rodney Davis Member of Congress

Tracey Mann Member of Congress

Julia Letlow Member of Congress

Austin Scott Member of Congress